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FOR USUN AMB RICE FROM CDA VIENNA ORDWAY

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SUBJECT: SCENESETTER FOR VISIT OF AMB. RICE

REF: VIENNA 690

Classified By: CDA Amb. John Ordway. Reason: 1.4(b)

11. (U) Embassy Vienna looks forward to your visit, Amb. Rice, which will give us the opportunity to review significant UNSC issues with the Austrian government and to take a broad look at the bilateral relationship. After a quick survey of Austria's political scene, this cable takes a closer look at Austria's foreign policy role and relationship with the United States, and then briefly explores the major UNSC and other issues on which we engage the Austrian Government.

Austrian Political Scene

12. (U) Austria's six-month-old coalition of Social Democrats (SPO) and conservatives has thus far worked largely harmoniously to address the domestic impact of the global financial and economic crisis, the country's leading political challenge. The country has responded to the crisis with robust financial and fiscal packages that have secured the stability of the financial system and cushioned the effects of still-rising unemployment. The economy is not likely to recover until 2011, however, according to latest forecasts. But the harmony of the coalition is now threatened by the poor electoral performance of the SPO in the June 7 EU parliamentary elections. Some predict that the SPO will become a more difficult partner for the conservatives in order to win back voters attracted to the right-populist Freedom Party. In addition to the economy, concerns about crime and the integration of Muslim immigrants into Austrian society -- both of which are tied in voters' minds to the EU -- are major political concerns.

Austrian Foreign Policy

13. (C) Austria's engagement with the world is slipping and narrowing for many reasons. Though Austrians -- because of the presence of many international organizations in Vienna, long-standing peacekeeping deployments, and (since January) membership in the Security Council -- think of the country as internationally active, in fact real interest in foreign policy among the public, media, and practicing politicians appears very low. Austrian foreign policy engagement is narrowing to a few core national "interests": promoting commerce (which does encourage positive engagement in southeastern Europe and beyond, to include in exploiting Caspian energy resources); anti-nuclear and disarmament policies; labor and agricultural market protectionism (Austria is also a leading voice in the EU against agricultural GMO crops and products); and Balkan stability. Austria has been an EU member since 1995, but its population is among the most euro-skeptical and Austrians appear to have become increasingly isolationist in their own attitudes about engagement in international affairs, particularly if these have a military component.

14. (C) Although the scope for U.S.-Austrian partnership is limited, in many areas the relationship has been very positive. Perhaps foremost among the success stories are our complementary approaches to the western Balkans, where Austria is engaged economically, culturally, politically, and militarily in ways that directly assist achieving U.S. goals. Likewise, we both strongly support the development of a southern corridor to bring energy supplies to Europe from the Caucasus, Central Asia, and Middle East, with Austria prioritizing the Austrian-led Nabucco gas pipeline project. In other areas, we have mixed results. Austria warmly welcomed President Obama's arms control proposals, but has a strong anti-nuclear stance which puts it at odds with the U.S. on development of nuclear energy. Environmental policy cooperation holds great promise, but Austria continues to push for a binding agreement among developed nations even if major emerging economies refuse to accept binding limitations on their greenhouse gas emissions. In other areas, Austria has been passive and at times actively unhelpful. It has rejected, for example, any civilian or military deployments to Afghanistan (beyond the two officers now deployed to ISAF) and has actively fought to block European Commission actions that would increase access to Europe for U.S. agricultural products, esp. GMOs. FonMin Spindelegger has recently proposed a Black Sea initiative that could complement, perhaps significantly, U.S. policy in that region (ref).

UN Agenda

- 15. (C) Austrian officials have described the GoA's approach to its UNSC tenure as "thematic." That is, Austria would seek to explore and develop certain themes in international affairs, with the aim of advancing normative standards in international law. Key themes identified included the rule of law, human rights (with a focus on women), and (driving their organization of the conference you are attending), the responsibility to protect. One MFA official described Austria as finding engaging in debate on "country-specific" issues divisive and unhelpful to the Council's work. Amb. Mayr-Harting recognizes that Austria cannot shirk its role on such issues. However, he will see Austria as representing the EU and seek to reflect the EU consensus in his interventions in the Council. At the national level, Austria's position may be influenced by the strong commercial basis of Autrian diplomacy -- the country's considerable skepticism abou the use of sanctions reflects this aswell as political conviction.
- $\underline{\P}6.$ (C) The mostactive issue before the UNSC on which we have a istory of sustained engagement with the GoA has ben Iran, with an emphasis on sanctions policy. Austria implements fully and vigorously UNSC sanctions. However, it implements them according the letter of the law and has been unwilling to support any sanctions that go beyond what has been approved by the UNSC. We cannot judge what position Austria would take were an extension of sanctions to come to the Council; esp. as the EU is itself divided on the issue, Austria's skeptical attitude toward sanctions could be important. In the case of the DPRK, however, where Austria's commercial interests are minimal and the EU more united, we would expect complete Austrian solidarity with measures agreed by the P-5 2. We would also be concerned about Austria's ability to provide concrete support for UNSC decisions, or for those of other UN agencies. For example, the Defense Ministry, Justice Ministry, and Interior Ministry have all indicated that they do not have the resources (and do not see the national interest) to provide financial or manpower resources to new international missions. At most, the MFA reports Austria will provide a symbolic contribution (under EUR one million) in response to UNHCR's appeal for financial support on behalf of Pakistani IDPs.

¶7. (C) Your meetings with President Fischer and Foreign Minister Spindelegger provide a venue to express our concern about the gap between Austria's self-proclaimed vision of itself in the world, and its increasingly limited performance. We want to encourage Austria to work with the U.S. in the many areas where our interests coincide, and your visit offers a rare opportunity to make this case authoritatively and directly at the highest levels. ORDWAY